



CONNECTICUT ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

August 28, 2008

Adam Skowera
State of Connecticut General Assembly
State Capitol
Hartford, CT 06106-1591

Dear Mr. Skowera:

On behalf of the Connecticut Association of School Business Officials, I thank you for the opportunity to participate in the Regional Efficiency Stakeholders Forum. The efficient and effective use of resources is of primary concern to our members.

CASBO has prepared a position paper on the topic of consolidation of services. This document identifies areas of potential consolidation:

- ◆ Cafeteria programs
- ◆ Cooperative purchasing
- ◆ Fleet operations
- ◆ Information services
- ◆ Insurance/Benefits
- ◆ Library services
- ◆ Maintenance and operations
- ◆ School crossing guards and resource officers
- ◆ Sharing a building
- ◆ Transportation
- ◆ Wide-area network

The document examines where and when this makes sense and includes some cautionary information. This specific information can be found on pages 10 through 16. Additionally, the document offers some sound advice and examples where consolidation has taken place. Although the document was originally prepared in 2003, we have continued to review it for its current relevance.

It is our hope that you will find this document helpful in your efforts. Should you have any questions or would like any additional information, please don't hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sharon", is written over a horizontal line.

Sharon S. Bruce, CAE
Executive Director

SCHOOL BUSINESS OFFICIALS...VITAL PARTNERS IN SCHOOL LEADERSHIP

Consolidation of Board of Education
And Town Services

A Report Prepared by:

**THE CONNECTICUT ASSOCIATION
OF SCHOOL BUSINESS OFFICIALS**

CASBO

FALL 2003

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CONSOLIDATION OF SERVICES

Objective

This paper is designed to provide background information for individuals who are considering consolidating services between boards of education and towns in the State of Connecticut. While many of the operational issues may work, the laws affecting consolidation vary from state to state.

Background

The history of consolidation efforts in the State of Connecticut is long and varied. For many school districts it has been absolutely essential to cooperate with one another and to cooperate with agencies within the community in order to meet their obligations under law, simply because fiscal resources were limited. The evolution of the Regional School Districts, Regional Education Cooperatives, competitive bidding groups, and the like are examples of lay people, government officials, town and school administrators recognizing areas of operation where multiple entities can work more effectively and efficiently on an issue than working alone. During the research phase for this paper it was clear that even the education statutes encourage school districts to work together. As the reader looks over the number and variety of consolidation efforts, one can readily see cooperation is alive and well from one corner of the state to another.

A survey of consolidation efforts in Connecticut school districts was conducted as part of the development process for the preparation of this paper.

Issues in Consolidation

From the perspective of the taxpayer and the community, consolidation should be considered. From the perspective of the town and school officials, the actual consolidation of services may not be quite so simple. When considering consolidation of services, there are several basic concepts that should be considered. They are as follows:

1. Does consolidation make sense operationally?
2. Does consolidation improve the effectiveness and efficiencies of the organizational functions for both entities?
3. Does consolidation restrict in any way the operational prerogatives of any of the entities involved?

Making Sense Operationally

Many school districts cooperate with municipal entities in providing medical benefits. This is a good example of making sense operationally. Whether the parties are paying premiums or are self-insured, by pooling the employees from "both sides of the street," a larger pool is created and there is a tendency to mathematically smooth out the experience rating making the consolidation economically beneficial for both groups. Because consolidation creates larger "pools" there are benefits that can be derived from bidding insurance coverage that could not be realized if the entities operate separately. If the issues being considered for consolidation do not offer clear benefits to both parties then the consolidation should be questioned.

Some communities coordinate contract negotiations in order to allow for the bidding of similar coverage and to reduce the tendency of unions to play “one side of the street against the other”. These types of cooperation and consolidation provide very clear cost avoidance and efficiencies and are the most logical reason why consolidation of insurance benefits is one of the most popular efforts in the State between boards of education and communities.

Limiting Operational Prerogatives

This area of assessment is the most difficult and complex when considering consolidation of services. What do we mean by “limiting” prerogatives? For clarification, a prerogative is according to the American Heritage Dictionary “an exclusive right or privilege held by a person or group, especially a hereditary or official right.” (The underscoring of “official “ is emphasized by the author.)

Let us first look at the consolidation of benefits. Once a community and board of education consolidate benefits and realize savings from pooling employees, does this action limit the future prerogatives of the respective organizations?

Official rights of boards of education are laid out in Section 10-220 of the General Statutes, as follows:

“Duties of boards of education. *(Each local or regional board of education shall maintain good public elementary and secondary schools, implement the educational interests of the state as defined in section 10-4a and provide such other educational activities as in its judgment will best serve the interest of the school district;—)

The Statute goes on in considerable detail to outline the rights and responsibilities of the board of education.

Could a board of education or a town withdraw from a cooperative effort? The answer is "yes"! However, the economic and political implications would probably be more than either organization would be willing to face.

Financial services is the most sensitive areas of consolidation of services and cuts to the central issue regarding prerogatives. Thomas B. Mooney, Esq. and author of "Connecticut School Law" is quoted from Page 75:

"Everyone has an opinion on how to run the schools, and local municipal officials are no exception. Towns have tried various ways to dictate how local boards of education should expend funds appropriated to them, but the principle that school boards may exercise their independent discretion in deciding upon school expenditures remains intact."

In one community, the town administration proposed that the town and board of education consolidate certain financial functions that "lend themselves toward consolidation" such as accounting, financial reporting, budgetary reporting, payroll and accounts payable.

Following is a legal opinion provided by a Connecticut law firm who requested to remain anonymous but is allowing for "liberal" quotes of their findings. In reading the opinion, keep in mind the concept of board prerogatives discussed previously.

"While the proposed consolidation is probably legally permissible, the Board cannot be required to accede to it. The reasons for this conclusion follow. First, any such consolidation could impinge upon the authority of the Board of education to determine the specific purposes for which the board wishes to spend its appropriations. Second, we are concerned that any such arrangement might impermissibly restrict the Board's right to hire, direct, supervise and discharge finance office employees. Finally, the Board would need to

bargain with the affected union regarding the impact of the reorganization. While the Board generally has the managerial prerogative to make certain changes to its operations, that prerogative is not unfettered when those changes affect the working conditions of its unionized employees. Consolidation of the financial offices could affect the working conditions for bargaining unit members and would therefore necessitate impact bargaining. Therefore, the Board has a defensible basis for refusing to consolidate its financial operations with the Town. A detailed analysis follows:

Analysis:

1. The Statutory Scheme and Relevant Case Law.

The State of Connecticut has granted local boards of education broad authority to provide for local education within their districts. Folwer v. Enfield, 138 Conn. 521, 530 (1952). Connecticut Gen. Stat. 10-220(a) delegates to local boards of education the responsibilities to "maintain good public elementary and secondary schools, implement the educational interests of the state as defined in 10-4a and provide such other educational activities as in its judgment will best serve the interest of the school district."

The discretion of local boards of education, however, is not unfettered. The Connecticut Supreme Court has made clear that municipal charter provisions may limit the broad powers delegated by statute to a board of education, so long as those charter provisions "are not inconsistent with or inimical to the efficient and proper operation of the educational system." Board of education v. New Haven 237 Conn. 169, 181 (1996) (quoting Cheshire v. McKenney, 182 Conn. 253, 259 (1980)). See also Local #1186 AFSCME v. Board of education, 182 Conn. 93 (1980). In Board of education v Ellington, 151 Conn. 1 (1963), the board of finance made its regular appropriation for the board of education, but then retained an additional \$46,300 for educational expenditures in a general government fund, in order to monitor the purposes for which such additional funds could be spent. (The board of finance was apparently concerned that the board of education would spend the monies on

additional teaching positions, a curriculum coordinator and building maintenance without what the Board of Finance believed to be adequate justification). The Court held that the board of finance had no authority either to retain the funds for educational expenditures within the general government budget or to restrict the purposes for which such funds could be spent. The Court first pointed out that Section 10-222 of the Connecticut General Statutes expressly provides that “money appropriated by any municipality for the maintenance of public schools shall be expended by and in the discretion of the board of education.” *Id.* (emphasis added)

In the New Haven case, decided in 1996, the Court had occasion to revisit the issue of control over educational expenditures. The Court noted that “traditionally, there has been a tension between local boards of education, which seek sufficient funds to fulfill their educational mission, and municipalities, which are concerned with their overall financial condition.” New Haven, 237 Conn. at 176. The Court reiterated that a municipality has control over the “total annual operating appropriation” (i.e. the “bottom line”) for the school district. The Court went on to explain, however, that once money is appropriated to the board of education for annual operating expenditures, the board has discretion to determine how the funds should be spent. In fact, “even if the board of education justifies an appropriation for its annual operating budget based upon an anticipated expenditure for a particular educational purpose, it has the discretion to expend operating funds for an alternative educational purpose.” *Id.* at 180.

The Court has thus made clear that local boards of education have a great deal of discretion with regard to the operation of school districts, particularly with regard to the purposes for which appropriated funds are spent. That discretion, however, is not unlimited. As the case law makes clear, municipalities are permitted to restrict the authority of local boards of education, so long as they do not conflict with the board’s statutory authority and do not adversely affect the efficient operation of the school district.

2. The Impact of Consolidation

a. *The Board's Authority to Expend Its Funds*

Against the legal background set forth above, we have concerns about requiring the consolidation of the town's financial offices and the financial offices of the board of education. Any such consolidation could likely impinge upon the authority of the board of education to determine the specific purposes for which the board wishes to spend its appropriations. If the board determines that it wishes to expend funds within its appropriation, for a finance office, the town would likely be hard pressed to challenge the board of education's right to do so. Preventing the board of education from maintaining a finance office would seem to cut right at the heart of the authority of board of education to determine the specific purposes for which education appropriations should be spent.

Moreover, a conflict of interest arises if there is any interference with the Board's independent right to allocate its budget as well as perform other functions under Conn. Gen. Stat. 10-220. Consolidating financial offices and having town employees, under direction of the Town's supervisors, could adversely affect the ability of the board of education to make its own independent determinations over how its budget is prepared and allocated."

Conclusion

It is clear from the legal opinion that a board of education cannot be forced to consolidate financial services. It is just as clear that several towns in the state have consolidated some or all of the financial functions.

There are opportunities to be gained in reviewing various aspects of consolidation or shared services. The challenge is to keep the process free of politics and egos looking to protect "turf" and/or build an empire. The final measure should be the value such efforts contribute to the children we serve and the taxpayers who foot the bill.

Appendix A

The purpose of Appendix A is to catalog areas of cooperation between entities that currently exist and to provide information along with known positive and negative aspects of these relationships.

CAFETERIA PROGRAMS

This is an area that at first glance does not appear to have an interface with the community for cooperation. Many large districts have schools that are classified as severe needs. This is defined as those schools where 40% of the students being fed are eligible for free and reduced lunch. When schools reach the level where 50% of the student body is eligible for free or reduced lunch a summer feeding program can be offered. In order to make this effective, several towns coordinate feeding sites with park and recreation programs. While the child nutrition rules reduce operational flexibility, there are opportunities to provide very valuable services to children, which can also enhance town programs.

COOPERATIVE PURCHASING

Cooperative purchasing among school districts and between towns and boards of education has been popular for several decades. CREC, CROG, West CONN, Region 15 and State Bids are very popular for reducing the cost of bidding and meeting the bidding policies of each community. One negative in cooperative bidding is maintaining quality control over the specifications so that the goods received are of appropriate value. Another problem is making sure each partner involved in the cooperative purchases the amount committed in the bid. Because cooperative purchasing has been around a long time, these negatives are well known and usually addressed in cooperative purchasing consortiums.

This area of cooperation has been very successful and yields multiple benefits by giving purchasing leverage to even the smallest community.

FLEET OPERATIONS

Large communities often have garages that service town vehicles (police, fire and public works). It is logical to extend these services to the board of education vehicles, but problems can occur. Police and fire vehicles have to take precedence for repair because they are public safety vehicles. However, if a vehicle is tied up an inordinate amount of time and a tradesman is less effective when his/her vehicle and tools are not available, what is the cost of the lost service versus the savings? Again, the savings have to be compared with costs of obtaining comparable services from the private sector.

CAUTION: If fleet services are being provided by the municipality for school buses or vehicles providing student transportation, and those vehicles are owned by the board of education, those individuals maintaining those vehicles, in addition to being certified mechanics, must also be trained in motor vehicle maintenance standards for school transportation services.

INFORMATION SERVICES

Many communities share in at least some aspects of information services. They share software, networks, production of checks and/or reports and technical assistance. The larger the community the more assets there are usually available to share. Given the cost of these services finding common ground can provide real dollar savings.

Sharing financial software provides some efficiencies that are hard to pass up. It is important to understand that although the town's fiscal needs and a board of education's fiscal needs are similar, they are by no means the same. Towns look for financial software that often includes tax billings and receipts, and water and sewer functions. A board of education needs an account structure from which program, object, site and function detail is easily available for local control and State and Federal Reporting. Even if town and board of education are on different software, conversions can be written so board of education expenses can be easily downloaded to the town's general ledger. Financial Software should also include a personnel package and here again, the needs of the town and board of education differ dramatically primarily in maintaining certification levels and areas of competencies plus fingerprinting to name a few.

Sharing a common computer platform can also provide certain efficiencies. Maintenance, backup, and software translations are far more effective on the same computer platform.

A school district's users include the students. This leads to user issues. Obviously students are going to use computers in a much different way than those end users in offices. Students are often more resourceful in their use of the computers than others and security may become an issue.

Because computers used with curriculum specific software and hardware may be unique, there may be needs and issues with which a city information technology department may not be familiar.

A school district may use a computerized point of sale program for its cafeteria. If this system goes down it may jeopardize state and federal reimbursements. The city needs to understand the importance of this.

INSURANCE/BENEFITS

Cooperative agreements between towns and boards are very common in Connecticut. As mentioned previously, the larger the pool, the more likely there is to be savings.

LIBRARY SERVICES

Several towns share library services with schools. This type of cooperation has evolved over many years. East Hartford High School is a joint Town/Education Library. When the facility was built, the ability to access the library after school hours without affecting security was designed into the building. During the day, both education and town personnel man the facility and access is available to the general public. After school hours, the facility is manned primarily by town staff, but is also available to students doing research or looking for a quiet place to study.

This cooperation allows for a stronger library collection because resources from both the Town and Board are used to support the enterprise. Access to the collection is at least 12 hours per day.

With the advent of technology, electronic resources can be tied to the web and accessed 24/7. While there will always be differences of opinion as to the “content” of a library collection, this town/school cooperation is a winner for the taxpayer and the library patrons.

MAINTENANCE & OPERATIONS

Although many towns did not respond to this area, there is probably more going on than reported. In some Towns, maintenance is done exclusively by the town. Although on the surface, efficiencies of overseeing both town and board of education property seem obvious, several problems exist.

First, maintenance and operations are generally the first to be cut in lean years and the last to be restored when economic conditions improve. The real question is, in tight economic times, how are priorities developed? If they are established on a political or entity favoring basis, then one organization or the other suffers. When this type of arrangement exists, it is imperative to have a unified capital improvement plan where facilities from both sides of the street get equal and prioritized attention from a pre approved list of projects.

With limited personnel, how does one develop day-to-day priorities? For example, during the winter, how are priorities established between town and board of education during a snowstorm? If school is cancelled, priorities are easy; if school is not cancelled, then walkways and parking lots for schools should take precedence over Senior Centers and town offices that open later. Setting priorities is not impossible, but the decision maker should be well attuned to the operations of both organizations. Even if that is relatively successful, boards of education and towns have different missions and it is inherently inefficient for a person to work for two masters.

Finally, it often happens that operations are billed back to the board of education at cost plus an overhead charge. While overhead in a financial context is technically a valid expense for municipalities and political subdivisions, these are also fixed expenses. Should overhead expenses be charged back? Clearly, incremental labor and materials should be charged back, but should utilities and management costs also be distributed? When a school business official reports special education expenses on the ED-001, overhead cannot be reported unless it is clearly measurable, associated and justified with providing that specific service. Utilities are generally not allowed unless an entire building is being used to provide the service.

In costing out services, the cooperating parties need to understand that the expense has to be more cost effective than having the work done privately or separately of each other. There often times seems to be a mind set that because the board of education has the larger budget it has excess funds to spend and the town side would like to distribute as much of its fixed costs as possible.

SCHOOL CROSSING GUARDS AND RESOURCE OFFICERS (SRO)

School Crossing Guards are an educational expense; yet generally operate within the police department. The cost of School Resource Officers (SRO), police operating in public schools, is often picked up by Federal grants and when grants run out, the cost is shared by the police department and school district. Both of these areas open doors of communication between the schools and the police department and help both organizations operate more effectively in providing a safe educational environment. In many cases, as a result of this cooperation, SROs are proactive in preventing problems from occurring in the educational setting.

SHARING A BUILDING

Sharing a building or even having buildings next to one another offer many opportunities for cooperation. These include: Copy centers, labor saving devices such as folder inserters and mailing equipment. Providing a high speed printer for report production, payroll and accounts payable checks can result in efficiencies. Sharing telephone

switches becomes much more efficient. Perhaps most important, close interpersonal relationships can develop to produce unexpected cooperation, synergies and savings.

TRANSPORTATION

While cooperation in the area of student transportation is not obvious, there are some opportunities that should be reviewed. School bus contract prices should be extended to town agencies. Often park and recreation programs use school buses for field trips and day camps. The Police Athletic League may want to have access to contract prices or maintenance of a vehicle used for transporting children.

Some communities make bus services available to Senior Citizens and handicapped individuals. Tying these services to a transportation contract offer many benefits. A consolidated bid for adequate insurance coverage, professional maintenance for the vehicles and well trained and appropriately licensed drivers are at the top of the list.

WIDE AREA NETWORK

Wide area networks are extremely expensive to install, but provide a wide variety of staff efficiencies, but are difficult to measure in a traditional cost benefit calculation.

Manchester is in the process of installing about 37 miles of fiber optic cable at a cost of about \$2.5 million dollars. This network will connect all of the town's buildings and schools. While the price seems high, approximately \$350,000 will be recovered under a State School Construction grant for equipment placed in school buildings. Cost avoidance for network lines replaced by the fiber is about \$54,000 per year for the school district, and slightly less for the town. The network will be paid for by a 7-year lease purchase agreement. The board of education's share adjusted for the cost avoidance is about \$80,000/year for the term of the lease. The obvious question is "why invest in something like this? Where is the return?" Manchester currently uses the network for the following applications and use is growing.

1. All financial applications including electronic requisitions and time reporting
2. Web and e-mail services
3. Web access to bid specs.
4. Student Information – Scheduling, Grade Reporting & Attendance
5. Electronic Access to Town Clerk records
6. Library and Student Research
7. All town and school libraries are automated.
8. Cafeteria – Point of Sale Service is fully operational.

Once all the fiber is in place, Manchester will be investigating Internet Protocol (IP) Telephony to replace its phone system. With the fiber in place, there is expected to be a substantial cost benefit to own and operate a telephone system over an existing technological infrastructure.

APPENDIX B
TOWN OF MANSFIELD
Resource Sharing/Allocation

The Town of Mansfield has undergone a gradual evolution in the consolidation of services and sharing of resources between the Town, the Mansfield Board of Education and Regional School District No. 19. While the thrust of service consolidation has occurred mainly in the areas of financial management, facility maintenance and information technology, a number of social, recreational, and other services/resources are also shared among these organizations.

The philosophical approach is based upon the assumption that cooperation and the sharing of resources in accomplishing common tasks result in a better product to the organizations involved and at a lower cost to our taxpayers. The relationships that result are workable only with goodwill and the complete support of each administrative and policy-making entity involved.

Finance.

The Department of Finance is a service oriented entity performing the following functions for the Town, the Mansfield Board of Education and since 1987 Regional School District No. 19: purchasing; accounts payable; revenue collection; financial planning and policy making; accounting and bookkeeping; financial statement preparation; treasury management; debt management; information technology; and budgeting. This has not always been the case. The process of consolidation has unfolded in an informal, incremental manner, with the distinctions between financial management of the Town, and financial management of the Town schools gradually fading, resulting in an integrated financial management system.

Beginning in the early 1970's, the Town's Director of Finance began serving as the Mansfield Board of Education's Business Manager. The two organizations also began sharing the cost for both this position and the Director's Secretary on a pro-rated basis. By charter, the Director of Finance is appointed by, and reports to, the Town Manager. However, the practice has been for the Town Manager to appoint the Director of Finance with the advice and consent of the Superintendent of Schools. This arrangement has had the dual effect of reducing costs and improving the coordination of the financial activities of the Mansfield Board of Education and the Town.

Staff Reorganization.

In the early 1980's, the next step in the integration of financial management was implemented. At that time, a major staff reorganization was undertaken. While the Director of Finance served both the Town and Mansfield Board of Education, the respective staffs did not. The functions of payroll, accounts payable, accounts receivable, budgeting and purchasing were duplicated in each entity. The reorganization eliminated the distinction between Town and Board employees and grouped these positions according to function only. Since the procedures necessary to carry out the functions of payroll, vendor payments, budgeting, purchasing and accounts receivable are virtually the same regardless of where the activity originates, there was no reason to maintain this distinction.

Under the resulting and current arrangement, all payrolls are processed within the same office, regardless of who is being paid. Similarly, all vendor payments are processed within the same office, regardless of source. The personnel secretary was promoted to take over all payroll processing. This freed up the other payroll clerk to specialize in data processing. The accounts payable clerks from each organization were merged into one accounts payable section. The budget function was centralized in the Finance Office where the accounting staff is used during budget preparation to assist the various departments as they prepare individual budgets and then to assist the Superintendent and Town Manager as they prepare their final documents. Common charts of accounts, payroll checks, timesheets, vendor checks, purchase orders and other financial documents facilitated this integration.

A key challenge and benefit to the reassignments was cross-training whereby employees learned to perform additional functions beyond their traditional job description. The increased knowledge and information allows individuals to provide support, as needed, to a wider range of functions. This also provides a measure of protection against the problems that can arise when a key employee leaves the organization.

The budget preparation process is vastly improved because of this consolidated financial management. The budgets are necessarily brought into balance with each other early in the process because one entity is involved in the preparation of all the budgets. The same benefit holds true for financial reporting. Any discrepancies between the Town's numbers and the Board's are caught immediately and rectified. Similarly, capital projects like school construction, are better coordinated because consolidated financial management provides a forum in which the Board of Education and the Town must be aware of each other's plans and financial situation.

The Town accounts for the revenues and expenditures of the School Cafeteria Fund as well as being responsible for collecting revenues from State and Federal educational grant programs, and for collecting tuition payments.

Financial Services and Reporting for Region 19

Another step in the consolidation of school and Town financial management was a 1986 agreement in which Regional School District Number 19 hired the Town of Mansfield to render a range of technical and financial services. Region 19 encompasses the Towns of Mansfield, Ashford and Willington, with one high school serving the whole district.

Under the contract, the Mansfield Department of Finance is responsible for the Region's financial reporting, preparation of the Region's budget and revenue and cash management. Implementation of the agreement required the development of a financial management system to account for the Region's revenues and expenditures (currently nearly \$13.5 million). The financial management system, developed by the Finance Department, consists of an accounting system, automated payroll system, automated program budgeting system, cash management system, purchasing system, and fixed asset accounting system. The Town provided the personnel necessary to create these systems, hiring one additional full time employee and one-half time employee to accommodate the additional workload.

Operationally, the Finance Department provides the Region with an automated cash disbursement and receipt system, a fully operational payroll system, and accounting and bookkeeping services. The Finance Department also prepares the Region's monthly,

quarterly and annual financial reports, the preparation of the Comprehensive Annual Financial Report, grant applications, and the annual school budget. The Region has received the Certificate of Achievement for Excellence in Financial Reporting since 1990.

As a distinct political entity, Region 19 must generate its own accounting reports and process its own activities separate from Mansfield's systems. While payroll processing, accounts payable processing, and report generation are performed by Town personnel, these activities are done twice; once for the Town and once for Region 19. Still, the activities are now performed using uniform systems and computer applications by specialized personnel. The previous staff reorganization allowed for greater specialization and proficiency among the Finance Department staff, enabling the department to take on the added responsibilities contained in this agreement. In return for these services, the Region pays the Town approximately \$70,000 annually.

A third reorganization took place in the late 1990's when the Office of Information Technology was recognized as a separate Bureau within the Department of Finance. That office is also funded on a shared basis between the Town, Mansfield Board of Education and Region 19 BOE.

Although not a shared service, the Assessor's Office was also expanded when Revaluation was taken in-house starting in 2000. The organizational charts for the Department of Finance from 1984 and currently illustrate the changes that took place.

The Department of Finance prepares all internal and external reports for the Town Government and the Boards of Education including the ED-001 for both Boards and the Comprehensive Annual Financial Report for the Town and Region 19.

1. 1984: Organization by entity.

Board of Education

Function:	Title:
Accounts Payable	Accounting Clerk
Payroll	Personnel Secretary

Town of Mansfield

Bookkeeping	Finance Assistant
Accounts Payable/Payroll	Account Clerk Account Clerk
Revenue Collection	Collector of Revenue Account Clerk Account Clerk
Assessor	Assessor Assessment Aide

2. *Current Organization (After Absorption of R-19 Financial Management)*

Function:	Title:
Accounting & Bookkeeping	Controller Accountant Part-Time Assistant (12 hrs per wk)
Accounts Payable	Account Clerk Account Clerk
Payroll	Account Clerk
Revenue Collection	Collector of Revenue Account Clerk Account Clerk
Assessor	Assessor Assistant to the Assessor Revenue Clerk
Office of Information Technology	Information Technology Manager Information Specialist I Information Specialist II

Other Shared Financial Services

In addition to the consolidation of the primary financial systems, the Town and both Boards of Education have also established a joint Section 125 payroll plan, a consolidation of risk management functions, a self-insured fund for employee medical benefits, coordination of major purchasing for energy and office supplies, and an equipment amortization fund to coordinate the acquisition of copiers throughout the system.

Finally, in addition to the schools, the Department of Finance over the last twenty years has also undertaken the financial management of the following entities: Eagleville Fire Department; Mansfield Volunteer Fire Company; Eastern Highlands Health District; Mansfield Discovery Depot (daycare agency); Mansfield Downtown Partnership (redevelopment agency); Mid-NEROC (recycling agency).

Facilities Maintenance

Historically, the maintenance and custodial function for the Town and Mansfield Board of Education has operated on a consolidated, cooperative, cost-sharing basis. This relationship is in contrast to many towns and their school districts which maintain freestanding, separate organizations and cost centers.

The Town Manager and Superintendent of Schools reviewed this arrangement in 1998, along with the job responsibilities and reporting relationship of the two key management positions within the overall maintenance and custodial program. Essentially, two issues

were addressed in the review. One was to determine the effectiveness of the program, while the second was to determine what changes, if any, should be made.

Regarding the first issue, it was found that the cooperative arrangement works quite well. Most customers within the Town and school system are essentially satisfied. In addition, it was found that more towns are moving to a consolidated model owing to what was identified as its greater efficiency, effectiveness and ability to capitalize on the economies of scale.

Regarding the second issue, the review did reveal the need for three changes in what had been the management structure. These changes were approved by the Town Council and the Mansfield Board of Education during the summer of 1999. They are briefly summarized below.

First, fairly minor changes were made to the job descriptions. These related primarily to clarifying and formalizing existing practices and making technical changes in the titles of the director and deputy director.

The second change involved a restructuring of the salary classification of both positions. This was based on an assessment of comparable positions in other municipalities, competition in the marketplace, and on a factor analysis of the specific skills required in each position.

Finally, it was concluded that it would be more appropriate for the deputy to work for the Board and the director to work for the Town – a reversal of the arrangement that had been in place. This was based on the fact that the deputy is the day-to-day supervisor of the custodial employees who are Board employees. The director is seen as a more senior management position with overall responsibility for departmental direction of both Town and Board maintenance activities and budgetary matters. As a practical matter, both the Town Manager and Superintendent of Schools will continue to conduct cooperative performance evaluations for both incumbents.

Grounds and Vehicle Maintenance

The Town's relationship with School District Region 19 was expanded beyond the financial management realm pursuant to a 1988 agreement. This time, the focus was on public works and the maintenance of school grounds. E. O. Smith High School, the high school serving the entire region, is located immediately next door to Mansfield Town Hall. It was, therefore, a natural step for the Town to assume responsibility for the exterior maintenance of school grounds. The Town has the necessary manpower, equipment and materials to undertake these functions thereby avoiding the unnecessary duplication of grounds maintenance between Town and Region employees and budgets. Region 19 will pay the Town approximately \$64,000 annually for maintenance services in fiscal year 02/03.

The Town, working through the Director of Public Works, performs access road and parking lot maintenance, maintenance to large turfs, and maintenance to athletic fields for both Boards of Education. Parking lot and access road responsibilities include snow plowing and sanding, spring sweeping, the cleaning of catch basins, and pothole repair. The Public Works Department also mows, waters, fertilizes and otherwise cares for the many acres of turf areas under the control of the two Boards of Education. Caring for the athletic fields involves staking out the fields once each year, lining them throughout the playing

seasons, rototilling baseball and softball fields at the beginning of each season, and otherwise keeping all fields in playing condition.

The Town Public Works Department also provides vehicle maintenance for the Town and Mansfield Board of Education vehicles.

Library Services

To the extent that the missions of the Town Library and the local schools overlap with regard to promoting literacy and an appreciation of literature, they work cooperatively on a range of programs encouraging reading and the use of library resources. For several years, the Town Library has organized and staffed evening programs for Title I children and their parents. This cooperative program with the schools encourages parent involvement in the development of their children's reading skills, and familiarizes families with public library materials and services.

The Town Library also worked closely with school preschool programs to receive grant-funded computers and software designed to develop reading readiness. Training in the use of these computers and software was provided to teachers, parents and children from the preschool programs by Town Library staff.

In the mid-1990's, the Town Library moved to an on-line cataloging and reference system. The system is provided by Bibliomation which is an organization of Connecticut libraries. That system was extended to the Mansfield Public Schools a year later. School children in Mansfield now use the same system from K-8 regardless of which school they attend or if they are at the public library. In 2001, the Town and Board established a shared Librarian position. The individual will work in the schools during the school year and at the Library when school is out and during the summer.

Technology

The Town and both Boards of Education jointly sponsored and completed a strategic technology plan in 1997. That plan, which was implemented over the past five years resulted in the following accomplishments:

- Implementation of a Wide Area Network using Windows NT as the standard platform
- All locations have been connected through frame relay and T 1 technology
- Centralize Internet and E-Mail service
- Standardize office automation software on Microsoft Office
- Develop and implement structured training programs for all major software products in use
- Centralized all student information
- Share support personnel to help implement and maintain the Wide Area Network and Local Area Network

Other Shared Resources

The Town and schools also share office and class room space where appropriate. For example, the Board of Education office is located in Town Hall. Likewise, adult recreation/educational programs run by the Parks and Recreation Department are often

held at E. O. Smith High School. Summer camp programs offered by the Parks and Recreation Department are run at the Mansfield Middle School.

Another area where services overlap, and, therefore, benefit from a sharing of resources, is in youth services. The Town's Youth Services Bureau, which provides educational, therapeutic, and counseling services to young people and their families, works closely with the Town's schools and E. O. Smith High School.

Mansfield and the Town of Coventry have an agreement whereby the Town of Mansfield provides data processing services for a fee. The arrangement provides these smaller towns access to a network they would otherwise lack the resources to implement and maintain themselves. At the same time, the Town of Mansfield generates revenue from the system.

During the Fiscal Year 1989/90, the Town entered into a contract with a local consultant to provide the Town with risk management services. These services are also shared with the Board of Education and Region #19. The Town, Board of Education and Region 19 also share the cost for a town employee responsible for carrying out the risk management program. All risk management activities for the three entities are centered with the risk management assistant.

In 1990, the Town established the Mansfield Health Insurance Fund, an internal service fund, providing hospitalization and medical-surgical health coverage for all Town, Board of Education and Region #19 employees.

In 2002, the Region deed back to the Town approximately 7 acres of land behind Town Hall which was being used for school playing fields. The Town is in the process of building a Community Recreation and Health Fitness Center which will include a 25 yard competition/recreation pool and gym facilities. In exchange for the land the Town and Region have signed an agreement for shared use of the facility.

Benefits

One sacrifice that agencies have to make in such sharing efforts is a loss of autonomy. Individual departments and employees must give up some independence in order to cooperate in service consolidation and the sharing of resources. However, the potential benefits are numerous. They include greater efficiency through economies of scale, elimination of duplication, better use of facilities, personnel efficiencies and improved coordination and planning. What these all share in common is that they result in better services to taxpayers at lower cost.

Prepared by:
Mansfield Department of Finance
Jeffrey H. Smith
Director of Finance
December 16, 1996
Revised: October 21, 1997
Revised: November 18, 1999
Revised: October 22, 2002

Appendix C

CONTRACT BETWEEN
THE TOWN OF MANSFIELD
AND
REGIONAL SCHOOL BOARD
FOR ACCOUNTING, BOOKKEEPING, DATA PROCESSING SERVICES
AND RISK MANAGEMENT SERVICES

This Agreement made this 1st day of July 2000 by and between the Town of Mansfield (hereinafter called the Town) and Region 19 Board of Education (hereinafter called the Board), witnesseth that:

Whereas the Board wishes to engage the Town to render certain technical and professional services hereinafter described in connection with the administration of Regional School District No.19.

Now therefore the parties do mutually agree as follows:

1. The Board agrees to engage the Town and the Town agrees to perform the services hereinafter set forth.
2. The Town, working through its Director of Finance, shall do, perform and carry out in a satisfactory and proper manner, a scope of activities established by the Board and the Superintendent of the Region for the purpose of providing financial services to the Board.
3. For the period beginning July 1,2000 to June 30,2003, the Town will account for the funds of the Board using generally accepted accounting principles. The annual charge will be adjusted by mutual consent. The Town will provide the following services:

A. Operations

Using Town and Board personnel, the Town shall:

- (1) Provide the Board with an automated cash disbursements system which shall provide for a systematic paying of bills.
- (2) Provide the Board with all automated cash receipts system which will systematically record the receipt of cash.

- (3) Provide the Board with a fully operational payroll system including all necessary State and Federal reporting.
- (4) Provide the Board with accounting and bookkeeping services through monthly trial balance preparation for all funds and account groups.
- (5) Provide the Board with an automated budget package for all funds.
- (6) Prepare computer generated financial reports for all funds in the same form as is currently being provided. Any changes in form to be mutually agreed to by the Superintendent and Mansfield Director of Finance.
- (7) Provide the Board with a centralized risk management system for all insurances including: major medical, auto, general liability, and workers' compensation.
- (8) Provide the Board with Information Technology services that assist in supporting the existing Board Staff in the following areas:

Local Area Network (LAN) management:

- System Usage
- Disk space usage
- Backup verification
- Overall Network Health Error Logs
- System Performance
- Installation of updates: Antivirus software and definitions
- Configure user Ids and e-mail addresses when required
- Shared network printing

- (9) Provide the Board with Information Technology services that assist in supporting the existing Board Staff in the following areas:

Wide Area Network (WAN) management:

- Remote Access Service Assistance
- Internet Connectivity

- (10) Prepare a Comprehensive Annual Financial Report in accordance with GAAP.
- (11) Prepare monthly, quarterly and annual reports and other reports as needed.
- (12) Prepare the ED-OOI for submission to State Department of Education.

B. Personnel

(1) The Town will provide the personnel necessary to process the accounting information as provided by Board personnel, to ensure a satisfactory end result.

(2) It is mutually recognized by the parties that the Superintendent for the Region, as the Board's Chief Executive Officer, has the authority, subject to the approval of the Board, on questions dealing with the design and implementation of the Financial Management System.

C. Compensation

The Town agrees to provide the services at a cost not to exceed \$67,730 for financial services and \$36,000 for Management Information Services for fiscal year 2000/2001. Said amounts to be adjusted annually based upon the Boston Consumer Price Index.

D. Termination for Cause and/or Convenience

The Town or the Board may terminate this contract at the end of any given fiscal year. Notice of such termination must be given in writing 120 days prior to the end of the fiscal year.

E. Changes

The Town or the Board may, from time to time, require changes in the scope of services of this Agreement. Such changes, including any increase or decrease in the amount of compensation paid to the Town which are mutually agreed upon by and between the Town and the Board shall be incorporated in written amendments to this contract.

F. Finding Confidential

All reports, information, dates, etc. given to or prepared by the Town under this contract which the Board requests to be kept as confidential, shall not be made available Without prior approval of the Board.

In witness whereof, we have hereunto set our hand seal this _____ day of _____ in the year of our Lord two thousand.

Witness _____

Bruce Silva, Superintendent
(for the Region)

Date

Witness _____

Martin H. Berliner, Town Manager
(for the Town)

Date